

Message Text

CONFIDENTIAL

PAGE 01 STATE 131490

21

ORIGIN AF-18

INFO OCT-01 EUR-25 ISO-00 AEC-11 AID-20 CEA-02 CIAE-00

CIEP-02 COME-00 DODE-00 EB-11 FPC-01 H-03 INR-10

INT-08 L-03 NSAE-00 NSC-07 OMB-01 PM-07 RSC-01 SAM-01

SCI-06 SP-03 SS-20 STR-08 TRSE-00 /169 R

DRAFTED BY AF/C:RRSTRAND:GJB

APPROVED BY AF/C:APALMER

----- 085689

R 192141Z JUN 74

FM SECSTATE WASHDC

TO AMCONSUL LUBUMBASHI

AMEMBASSY KINSHASA

INFO AMEMBASSY BRUSSELS

C O N F I D E N T I A L STATE 131490

E.O. 11652: N/A

TAGS: EMIN, CG, US

SUBJECT: ESSO EASTERN INC. MINING INTEREST

1. ESSO EASTERN REQUESTS CONSULATE LUBUMBASHI'S ASSISTANCE IN ASCERTAINING STATUS GECAMINES CONSIDERATION OF PROPOSALS FOR MINING URANIUM AND ASSOCIATED METALS TABLED BY DR. FROST DURING VISIT TO LUBUMBASHI IN APRIL. ACCORDING FROST, AGREEMENT REACHED ON ALL BUT TWO POINTS, AND UMBA PROMISED COMMENTS ON THESE BY MAY 15. (PRINCIPAL UNRESOLVED QUESTION WAS WHETHER, FOLLOWING EXPLORATION, EACH PARTNER SHOULD HAVE RIGHT PROCEED ALONE WITH MINING IF OTHER PARTNER NOT INTERESTED IN DOING SO. GECAMINES FAVORED PROJECT IMPLEMENTATION ONLY IF BOTH INTERESTED; ESSO SUGGESTED EITHER BE PERMITTED PROCEED ALONE WITH OPTION FOR OTHER PARTNER TO BUY BACK IN LATER WITH PAYMENT OF PENALTY.) NO WORD FROM UMBA SINCE FROST VISIT.

2. FROST SOMEWHAT CONCERNED ALSO THAT ESSO HAS NOT
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 131490

DISCUSSED PROJECT WITH BISENGIMANA FOR A YEAR, WHILE

NEGOTIATIONS HAVE PROCEEDED WITH GECAMINES. HE IS UNCERTAIN HOW TO DO SOMETHING ABOUT THIS IN VIEW UMBA'S POSITION THAT GECAMINES AND ESSO SHOULD REACH AGREEMENT BETWEEN THEM AND THEN PRESENT IT TO PRESIDENCY. ESSO IS UNSURE, HOWEVER, WHETHER BASIC ELEMENTS OF AGREEMENT BEING DISCUSSED (E.G., 50/50 EQUITY SPLIT BETWEEN GECAMINES AND ESSO WITH NO SHARE FOR GOZ) WILL BE ACCEPTABLE TO

GOVERNMENT OR WHETHER ASSUMPTIONS ABOUT GOVERNMENT POLICY WHICH HAVE GUIDED NEGOTIATIONS REMAIN CORRECT. BASED ON OPPOSITION EXPRESSED BY BISENGIMANA A YEAR AGO, OPERATION ENVISAGED FOR JOINT COMPANY WOULD NOT EXTEND TO ORE BODIES IN WHICH COPPER AND COBALT CONTENT WOULD BE OF PRINCIPAL INTEREST AND URANIUM SECONDARY. IF BISENGIMANA'S POSITION HAS CHANGED, HOWEVER, ESSO WOULD BE VERY INTERESTED IN INCLUDING SUCH AREAS IN AGREEMENT AND WOULD BE WILLING PUT IN COPPER REFINERY IF ASSURED MINIMUM PRODUCTION REQUIRED FOR ECONOMIC FEASIBILITY (ABOUT 100,000 TONS A YEAR, ACCORDING TO FROST).

3. IT IS DIFFICULT SEE HOW COMPANY COULD ASK BISENGIMANA FOR MEETING WITHOUT RUNNING AFOUL OF UMBA. BUT THIS MIGHT BE AVOIDED IF INITIATIVE FOR MEETING WERE TO COME FROM BISENGIMANA. CHARGE MIGHT TAKE OCCASION OF GENERAL DISCUSSION OF US COMPANY ACTIVITIES WITH BISENGIMANA TO ALLUDE TO ESSO NEGOTIATIONS; COULD MENTION ALSO THAT ESSO INTERESTED IN LOOKING INTO MINING POSSIBILITIES OUTSIDE SHABA (E.G., BULK MINING OF GOLD/SILVER/BASE-METAL ORES IN NORTHEAST CORNER OF HAUT ZAIRE, OR MINING OF URANIUM IN LARGE CRESCENT ZONE IN CENTRAL ZAIRE). IF BISENGIMANA'S INTEREST WHETTED, HE MIGHT INVITE ESSO PEOPLE TO SEE HIM. FROST WOULD APPRECIATE CONSULATE'S AND EMBASSY'S VIEWS ABOUT FEASIBILITY AND WISDOM OF SUCH A STRATEGY AND ABOUT RISKS OF PURSUING NEGOTIATIONS TO CONCLUSION WITH UMBA WITHOUT FURTHER CONTACT WITH BISENGIMANA. KISSINGER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC ASSISTANCE, URANIUM, EXPLORATION, AGREEMENTS, COPPER, POLICIES, PRODUCTION, NEGOTIATIONS, MINING INDUSTRY, PROPOSALS (BID), REFINERIES
Control Number: n/a
Copy: SINGLE
Draft Date: 19 JUN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE131490
Document Source: CORE
Document Unique ID: 00
Drafter: RRSTRAND:GJB
Enclosure: DG ALTERED
Executive Order: GS
Errors: N/A
Film Number: D740161-0299
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740631/aaaababp.tel
Line Count: 96
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN AF
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 03 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <03 APR 2002 by izenbei0>; APPROVED <18 JUN 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ESSO EASTERN INC. MINING INTEREST
TAGS: EMIN, CG, US, GECAMINES, ESSO EASTERN, (FROST)
To: LUBUMBASHI KINSHASA
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005